

CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD
LAHONTAN REGION

**AMENDED CLEANUP AND ABATEMENT ORDER NO. 6-98-20A3
WDID No. 6B369003001**

**REQUIRING MOLYCORP, INC.;
TO CLEAN UP AND ABATE THE EFFECTS OF WASTE DISCHARGES
TO THE IVANPAH VALLEY (IVANPAH HYDROLOGIC UNIT)
FROM THE
NEW IVANPAH DISPOSAL PONDS**

San Bernardino County_____

The California Regional Water Quality Control Board, Lahontan Region (Regional Board), finds:

1. Discharger

Molycorp, Inc. (Molycorp) operates a lanthanide mining and milling operation at Mountain Pass, San Bernardino County, which discharged wastewater to the New Ivanpah Disposal Ponds (NIDP) located on Ivanpah (Dry) Lake Bed (Sections 5, 8 & 9 T16N, R15E: SBB&M; San Bernardino County). For the purpose of the Cleanup and Abatement Order (CAO), Molycorp is referred to as the "Discharger."

2. Cleanup and Abatement Order No. 6-98-20

On March 25, 1998, CAO No. 6-98-20 (Order) was issued by the Executive Officer requiring the Discharger to conduct a Site Investigation (SI) and Feasibility Study (FS). The SI Report and FS Report were due to Regional Board staff by February 1, 1999. The Order also required the Discharger to submit a Revised Report of Waste Discharge (RWD) containing a revised Water Quality Monitoring and Response Program, a Closure and Post-Closure Maintenance Plan, an Instrument of Financial Assurance, a Cleanup Level/Degradation Analysis Application and implementation schedule to this office by March 15, 1999. Within 30 days of approval of the FS, the Order required the Discharger to implement an acceptable Ground Water Corrective Action Program (GWCAP). Due to various delays beyond the control of the Discharger, the SI and FS were submitted to the Regional Board in March 2000.

3. Amended Cleanup and Abatement Order No. 6-98-20A1

Amended CAO No. 6-98-20A1 was issued by the Executive Officer on October 14, 1998. The amended Order required the Discharger to cease from discharging wastes from conveyance facilities to areas other than authorized disposal sites. The amended Order also required the Discharger to respond to Regional Board staff comments on the NIDP Remedial Action Plan (RAP) by November 13, 1998, and subsequently submit a *Remedial Action Completion Report* by April 23, 1999.

4. Amended Cleanup and Abatement Order No. 6-98-20A2

Amended CAO No. 6-98-20A2 was issued by the Executive Officer on October 27, 1999. The amended Order revised previously adopted schedules and required the Discharger to submit a SI Report and a FS Report to the Regional Board by February 29, 2000. The amended Order also required the Discharger to submit a Revised RWD by March 31, 2000. The Revised RWD was to contain a revised Water Quality Monitoring and Response Program, a Closure and Post-Closure Maintenance Plan, an Instrument of Financial Assurance, a Cleanup Level/Degradation Analysis Application, and a schedule for implementing the GWCAP.

5. Reasons to Amend Order

It is appropriate to amend certain sections of Amended CAO No. 6-98-20 for the purpose of revising schedule requirements that have elapsed. Additional time will be required for the Discharger to appropriately address multiple agency comments on the SI and FS submittals prior to development of a Revised RWD. Therefore, submittal of a Revised RWD beyond the March 15, 2000 deadline was unavoidable and beyond the control of the Discharger.

The wastes derived from the Remedial Action undertaken in June 1999 are being stored at the NIDP in steel bins. The Discharger plans to transport these wastes to the Mill Site and recycle the material as a product.

CAO No. 6-98-20 required the Discharger to submit a workplan to survey the pipeline formerly used as a conveyance of waste water from the Mine and Mill site to the NIDP. Additional information regarding the potential for contaminants to have been spread by winds from the Mine and Mill site to areas in and downgradient of Wheaton Wash has prompted the Discharger to expand the initial pipeline survey to a wider area of investigation inclusive of the 13-mile pipeline. Because the expanded soil investigation area includes areas of the Mine and Mill that are currently being investigated under CAO No. 6-98-19, the pipeline survey investigation and any future remediation of newly discovered pipeline spill areas will also be conducted under CAO No. 6-98-19 or its amendments.

6. California Environmental Quality Act

This enforcement action is being taken by this regulatory agency to enforce provisions of the California Water Code (CWC) and, as such, is exempt from the provisions of the California Environmental Quality Act (Public Resources Code, Section 21000 et seq.) in accordance with Section 15321, Chapter 3, Title 14, California Code of Regulations (CCR).

IT IS HEREBY ORDERED that, pursuant to CWC §13267 and §13304, the Discharger shall:

1. Establish adequate Instruments of Financial Assurance in accordance with the following schedule:
 - a. By **March 23, 2001**, submit to the Regional Board a revised **Closure and Post-Closure Maintenance Plan** complying with Title 27, CCR, Section 21400; and a report that includes up-to-date cost estimates for the following items: **Closure** of the waste management unit (WMU), **Post-Closure Maintenance** for the WMU, and initiation and completion of onsite corrective actions associated with **All Known and Reasonably Foreseeable Releases** as described in Title 27, CCR, §20380. The report shall describe assumptions made in determining the cost estimate. The Plan and the report and corrective actions shall be prepared by or under the supervision of a California Registered Civil Engineer or Certified Engineering Geologist. The report shall propose the method by which the discharger proposes to post financial assurance.
 - b. By **June 1, 2001**, submit to the Regional Board three separate **Revised Instruments of Financial Assurance**, one for each of the three items described in Order No. 1.a., above. The amounts of the **Instruments of Financial Assurance** shall be adequate to cover the cost estimates contained in the approved report.
2. By **May 4, 2001**, the Discharger shall remove and legally handle and dispose wastes derived from the Remedial Action undertaken at the NIDP in June 1999. Seven days prior to moving the waste the discharger shall submit to the Regional Board a report describing the nature of each waste type, how the waste will be transported, manifested and the exact disposal location. By **May 11, 2001** the Discharger shall submit, to the Regional Board, a written report documenting:
 - a. Bills of lading; and
 - b. Numbers of containers, volume of waste materials transported off site and disposal location(s).
3. Order No. 3 of CAO No. 6-98-20A2 is modified as follows. By **June 16, 2001**, the Discharger shall submit a **Revised RWD** including the following:
 - a. A report containing a revised **Water Quality Monitoring and Response Program** complying with the requirements of Title 27, CCR, Sections 20380 through 20430, which includes a GWCAP proposal; and
 - b. A **Schedule** for implementing the GWCAP.
4. All Orders contained in CAO No. 6-98-20 and amended CAO No. 6-98-20A1, that are not amended herein, remain in effect.

MOLYCORP, INC.
NEW IVANPAH DISPOSAL PONDS
San Bernardino County

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CLEANUP AND ABATEMENT
ORDER NO. 6-98-20A3
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Failure to comply with the terms or conditions of this Order will result in additional enforcement action that may include the imposition of Administrative Civil Liability and/or referral to the Attorney General of the State of California for such legal action as he or she may deem appropriate.

Ordered by: _____

HAROLD J. SINGER
EXECUTIVE OFFICER

Dated: March 5, 2001